

State of Utah DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA Division Director

May 8, 2008

Mr. Brett Wilson, contact for Chemical Lime Company of AZ Mining & Exploration Dept. 3700 Hulen Street Fort Worth, Texas 76107

Re:

Escalation of Reclamation Surety to the Year 2012, Chemical Lime Company of Arizona,

Grantsville Quarry, M0450028, Tooele County, Utah

Dear Mr. Williams:

The Division has escalated the surety amount of \$398,300.00 in 2007 dollars, to the year 2012. The escalation rate is 3.2%, resulting in a surety requirement of \$466,240.00. This increased amount is based on escalation only.

In addition to the increased surety, a new reclamation contract is required. Please contact surety coordinator, Mr. Jed Pearson, 801-538-5382, for instructions on how to submit the increase of \$67,940.00 and the new reclamation contract.

This surety amount and reclamation contract is due by July 8, 2008.

In addition, the Division would like to meet with you and determine if the existing Notice of Intention to Conduct Mining Operations (NOI) is adequate and reflects the current operation conditions at the Grantsville Quarry site. Please contact Ms. Beth Ericksen (801) 538-5318 or Ms. Leslie Heppler (801) 538-5257 to arrange the meeting by August 10, 2008.

If you have any questions concerning this letter, please contact either of the above named staff.

Sincerely,

Susan M. White Mining Coordinator

Minerals Regulatory Program

SMW:BE:pb cc: Jed Pearson Beth Ericksen Leslie Heppler

Brett Wilson, brett.wilson@chemicallime.com

